

Explanation of Codes

Box 1. Income code.

	Code	Types of Income		
Interest	01	Interest paid by U.S. obligors—general	14	Pensions, annuities, alimony, and/or insurance premiums
	02	Interest paid on real property mortgages	15	Scholarship or fellowship grants
	03	Interest paid to controlling foreign corporations	16	Compensation for independent personal services ¹
	04	Interest paid by foreign corporations	17	Compensation for dependent personal services ¹
	05	Interest on tax-free covenant bonds	18	Compensation for teaching ¹
	29	Deposit interest	19	Compensation during studying and training ¹
	30	Original issue discount (OID)	24	Real estate investment trust (REIT) distributions of capital gains
Dividend	31	Short-term OID	25	Trust distributions subject to IRC section 1445
	33	Substitute payment—interest	26	Unsevered growing crops and timber distributions by a trust subject to IRC section 1445
	06	Dividends paid by U.S. corporations—general	27	Publicly traded partnership distributions subject to IRC section 1446
	07	Dividends qualifying for direct dividend rate	28	Gambling winnings ²
Other	08	Dividends paid by foreign corporations	32	Notional principal contract income ³
	34	Substitute payment—dividends	35	Substitute payment—other
	40	Other U.S. source dividend equivalents under IRC section 871(m) (formerly 871(l))	36	Capital gains distributions
	09	Capital gains	37	Return of capital
Other	10	Industrial royalties	38	Eligible deferred compensation items subject to IRC section 877A(d)(1)
	11	Motion picture or television copyright royalties	39	Distributions from a nongrantor trust subject to IRC section 877A(f)(1)
	12	Other royalties (for example, copyright, recording, publishing)	41	Guarantee of indebtedness
	13	Real property income and natural resources royalties	42	Earnings as an artist or athlete—no central withholding agreement ⁴
			43	Earnings as an artist or athlete—central withholding agreement ⁴
			50	Other income

See back of Copy D for additional codes

¹ If compensation that otherwise would be covered under Income Codes 16 through 19 is directly attributable to the recipient's occupation as an artist or athlete, use Income Code 42 or 43 instead.

² Subject to 30% withholding rate unless the recipient is from one of the treaty countries listed under *Gambling winnings (Income Code 28)* in Pub. 515.

³ Use appropriate Interest Income Code for embedded interest in a notional principal contract.

⁴ If Income Code 42 or 43 is used, Recipient Code 09 (artist or athlete) should be used instead of Recipient Code 01 (individual), 02 (corporation), or 03 (partnership other than withholding foreign partnership).